

**SPECIAL CALLED MEETING & BUDGET WORKSESSION OF  
THE FLORENCE COUNTY COUNCIL, THURSDAY, MAY 7, 2015,  
9:00 A.M., COUNTY COMPLEX, COUNCIL CHAMBERS, ROOM  
803, 180 N. IRBY STREET, FLORENCE, SOUTH CAROLINA**

**PRESENT:**

Roger M. Poston, Chairman  
James T. Schofield, Vice Chairman  
Mitchell Kirby, Secretary-Chaplain  
Alphonso Bradley, Council Member  
Kent C. Caudle, Council Member  
Willard Dorriety, Jr., Council Member  
Jason M. Springs, Council Member  
H. Steven DeBerry, IV, Council Member  
K. G. Rusty Smith, Jr., County Administrator  
D. Malloy McEachin, Jr., County Attorney  
Connie Y. Haselden, Clerk to Council

**ABSENT:**

Waymon Mumford, Council Member

**ALSO PRESENT:**

Sheriff W. Kenney Boone  
Arthur C. Gregg, Jr., Public Works Director  
Kevin V. Yokim, Finance Director  
Jonathan B. Graham, III, Planning Director  
Bill Griffenberg, CIO  
Robert Franks, IT Director  
Jack Newsome, Tax Assessor  
Larry Roscoe, Tax Assessor's Office  
Sam Brockington, Fire/Rescue Services Coordinator  
Dale Rauch, Facilities  
David Alford, Voter Registration/Elections Director  
Chief Deputy Glen Kirby  
Gavin Jackson, Morning News Staffwriter

A notice of the Special Called Meeting and Budget Worksession of the Florence County Council appeared in the May 6, 2015 edition of the **MORNING NEWS**. In compliance with the Freedom of Information Act, copies of the meeting Agenda and Proposed Additions to the Agenda were provided to members of the media, members of the public requesting copies, posted in the lobby of the County Complex, provided for posting at the Doctors Bruce and Lee Foundation Public Library, all branch libraries, and on the County's website ([www.florenceco.org](http://www.florenceco.org)).

Chairman Poston called the meeting to order. Secretary/Chaplain Kirby provided the invocation and Vice Chairman Schofield led the Pledge of Allegiance to the American Flag. Chairman Poston welcomed everyone attending the meeting.

## **ORDINANCES IN POSITION:**

### **ORDINANCE NO. 33-2014/15 – SECOND READING**

County Attorney Malloy McEachin published the title of Ordinance No. 33-2014/15. An Ordinance Authorizing The Execution And Delivery Of Documents Relating To The Provision Of County Facilities; Consenting To And Approving The Issuance Of Not Exceeding \$42,000,000 Florence County Public Facilities Corporation Installment Purchase Revenue Bonds (Judicial Center Project) Series 2015 By Florence County Public Facilities Corporation To Provide Funding To Finance The Costs Of Acquisition, Construction, Renovation And Expansion Of County Facilities; Consenting To And Approving The Execution Of A Base Lease And Conveyance Agreement By And Between Florence County, South Carolina And Florence County Public Facilities Corporation; Consenting To And Approving The Execution Of A Facilities Purchase And Occupancy Agreement Relating Thereto By And Between Florence County, South Carolina And Florence County Public Facilities Corporation; Consenting To The Form Of A Bond Purchase Agreement To Be Entered Into By Florence County Public Facilities Corporation And The Initial Purchaser Of The Bonds; Consenting To The Form Of A Trust Agreement To Be Entered Into By Florence County Public Facilities Corporation, And The Trustee For The Bonds; And Together Therewith An Assignment To The Trustee For The Bonds Of Certain Rights To Payment And Other Rights Of Florence County Public Facilities Corporation Under The Facilities Purchase And Occupancy Agreement; And Making Provision For All Other Matters Relating To The Foregoing. Councilman Schofield made a motion Council approve second reading of the Ordinance. Councilman DeBerry seconded the motion. Councilman Dorriety stated he asked Finance Director Kevin Yokim to research an option to save money on this issue. Presently, the millage structure was set up for the bonds to begin in 2018 but for a minor millage increase to begin as soon as practicable with the implementation of the Ordinance and ensuing sale of the bond, the County would realize a savings of approximately \$3.5 million and the County could potentially drop the millage in subsequent years to 5.83 rather than 6.5. At his request, Mr. Yokim presented information on this particular structure of the bond. The debt service on the jail would come off in about three (3) years. The initial structure for the courthouse would require long-term millage of about 6.5 mills. Rather than levy the 6.5 mills now, the original structure was set up to wait until the debt service millage came off so that taxpayers would only experience a net 3 mill increase for the debt service. What that meant was that for the first three years the bond would actually pay the interest (capitalized interest) and then there wouldn't be increased millage for the new courthouse for three years. If the County began paying interest next year, it would require a 1.0 mill increase for debt service and 3.0 mills the following year. Once the jail was paid off, the debt service on the courthouse would drop to 5.8 mills instead of the original 6.6 mills, so you would wind up saving 0.8 of a mill long-term the last 20 years of the bond for about a \$3.5 million in savings over the life of the bond. Councilman Kirby stated he felt the people should have more of an input on

this item. He was of the opinion that it was being pushed too fast and needed to be slowed down. Councilman Caudle asked for a legal opinion as to the Public Facilities Corporation and its involvement in this issue. Mr. McEachin stated that according to the Bond Attorney, it was permissible to bond the courthouse and accept the ordinance as presented. Councilman Bradley stated he was hearing some concerns regarding the funding of the judicial center and the public wanted to know the total cost of construction as well as maintenance of the new facility. He stated if the Ordinance was successful on third reading, he urged staff and Council to consistently look for alternative ways to pay down the cost, for instance if there was funding left from the capital project sales tax I and II, could any of that funding be used? Second reading of the Ordinance was approved with a seven (7) to two (2) vote. Voting in the affirmative were Chairman Poston and Councilmen DeBerry, Bradley, Schofield, Caudle, Springs, and Mumford by proxy vote given to Councilman Bradley (the proxy is attached and incorporated by reference). Voting 'No' were Councilmen Kirby and Dorriety.

### **PEACE OFFICERS' MEMORIAL DAY PROCLAMATION**

Chairman Poston stated that if there were no objections, the Florence County Sheriff's Office was requesting Council's consideration of a Proclamation. There were no objections voiced. Vice Chairman Schofield published, in its entirety: A Proclamation Recognizing May 15, 2015 As Peace Officers' Memorial Day. Councilman Caudle made a motion Council approve the Proclamation as presented. Councilman Springs seconded the motion, which was approved unanimously.

### **REPORTS TO COUNCIL:**

#### **BUDGET WORKSESSION**

Council recessed at 9:17 a.m. to move to the Conference Room to hold a Budget Worksession.

Council reconvened in the Conference Room, Room 804, at 9:21 a.m. for a Budget Worksession.

County Administrator K. G. Rusty Smith, Jr. provided an overview of the Fiscal Year 2016 proposed Budget and provided a copy of the 'Budget Message' (attached and incorporated by reference).

Budget requests for the General Fund were \$6 million more than the previous fiscal year budget. Most of the requested increases were not included in the budget. Some of the major increases not included were \$245,000 for non-contract vehicle maintenance, \$85,000 for the Auditor's office employee specific wage increases, \$1.175 million for repaving the parking lot at the Complex and looking at moving the fire panel, which was greatly needed and was a \$400,000+ option, \$300,000 Sheriff's Office aviation equipment, \$863,000 for additional employees for the Sheriff's Office, as well as \$168,000 for additional correctional officers not included, \$618,000 requested for 12 new positions in EMS, which could potentially be handled through some restructuring of EMS staff.

Florence County was experiencing 1% growth on assessed value, or approximately \$300,000, so not a lot of increase in revenue stream to fund increased costs such as health insurance or a cost of living for employees. The maximum allowable increase in the current year under Act 388 was 1.6 mills.

There were four (4) items included in the budget for Council's consideration: 1) \$534,000 for 3% wage adjustment for non-emergency personnel; 2) \$56,000 to place an on-site clinic at the LEC one day per week; 3) \$41,000 for a Buildings & Grounds Superintendent to more efficiently manage all of the County owned/operated facilities; 4) \$50,000 for a new Sheriff's Office investigator to serve the lower end of the County.

Additional items that were included that were basically State mandates were: 1) \$30,000 Police Retirement System Employer Contribution increased from 13.41% to 13.74%; 2) \$150,000 increase in employer contribution for State Health Insurance Program; 3) \$72,000 for two positions in Probate Court as a result of Act 22 of 2013; 4) \$80,000 e-waste recycling contract required to be voted on separately each year.

Councilman Kirby expressed concerns and opposition to the State mandates that the State did not provide the increased funding for the items. He asked if there were any items that the County could refuse to fund. Councilman Schofield stated the only department the County funded that was not required was recreation. Councilman Kirby stated the unfunded State mandates had cut into the County's reserve funds and limited the County's ability to provide for its citizens.

Councilman Dorriety stated he hoped that the other members of Council would agree to decline any salary increase. It was the consensus of Council to decline the salary increase proposed in the budget for non-emergency County employees.

Councilman Dorriety asked for clarification on the bond issuance for the courthouse and if it would be any different if the County held a referendum. He stated in his opinion it would be cheaper for the County if it were included as a third capital project sales tax. He said the only real difference was if the Council approved it or the citizens approved it. He stated his problem was that the item was not properly vetted to the public. He said he had seen the evidence of the need for a new courthouse but did not like the way it was being handled.

Mr. Smith stated a new fund – Fund 49 – was created/added to fund the annual debt service on the County General Obligation Bond issued to refund the \$3.5 million Bond Anticipation Note (BAN) during this current fiscal year. Included in the budget ordinance was a 3.9 mill increase to fund the annual debt payment. Mr. Smith provided a spreadsheet with information on the equipment for each fire department (a copy is attached and incorporated by reference). The departments developed a list of capital replacement needs totaling approximately \$8.1 million or an additional 3.5 mills, which was not included in the budget at this time. The total budgets submitted by the six fire departments exceeded the current fiscal year budget by approximately \$765,000, which equates to 6.1 mills, which was not included in the proposed budget. Chairman Poston stated he would like to hold another meeting prior to second reading of the budget

ordinance to concentrate on the fire department budget. Councilman Caudle expressed his concurrence and stated one of the items he was concerned about on the list was the airpicks, which was the potential to save a life that was saving a life. Councilman Springs expressed concerns regarding the aging equipment and stated a schedule and a plan needed to be in place to move the departments forward. Councilman Caudle agreed and stated the replacements should be staggered to reduce the budgetary impact in one fiscal year. Councilman Springs stated he would like to look at all alternatives for funding, not just millage. He stated he didn't like fees at all, but he would like to discuss a parcel fee versus additional millage. Councilman Dorriety stated that although the list provided indicates that West Florence has \$0 estimated replacement costs, the department did actually anticipate replacement of equipment. Finance Director Kevin Yokim stated that when he and Fire/Rescue Services Director Sam Brockington met with the fire departments, they expressed the hope that there would be a third capital project sales tax (CPST), but the list provided was equipment they felt they needed to bridge the gap between now and then.

The second issue, in talking with the County Attorney, was that the budget ordinance had been introduced and included in the budget was the 3.9 mills to pay debt service on the bond to pay off the BAN. If Council desired to increase millage for some or all of the new equipment or implement some type of fee, that would require an amendment to the budget. Councilman Dorriety asked how many years the 3.9 mills would be levied. Mr. Yokim responded maybe eight (8) years at the longest. Councilman Dorriety asked if a third CPST were issued, could it be used to pay off the debt service. Mr. Yokim responded that would be a possibility. Councilman Schofield stated that if the County did not implement a third CPST, the County could expend any left-over funds for any authorized expenditures but if the County issues a third CPST then any left-over funds must roll-over for that list of projects. Councilman Bradley asked if the County voted on a courthouse now could the funding be included in a third CPST. Councilman Caudle asked if the County could implement a local option sales tax to fund the courthouse. Mr. Smith stated the County currently had one and Councilman Schofield stated you could only implement one. Councilman Schofield asked for the spreadsheets provided to be revised to be sorted by department, and then sorted by station with equipment. Chairman Poston stated his homeowners insurance was reduced by about \$200 and his tax bill only increased about \$14. Councilman Schofield stated that he was not advocating millage, but rather a fee because first responder service was not about the value of your property but rather an individual. For a \$20 fee on nothing but parcels in the unified fire districts, no vehicles, the County could meet the needs requested by the fire departments this year. If the County implemented the 7.4 mills it would cost approximately \$30 for a \$100,000 home. Chairman Poston asked that each member review the information provided prior to the meeting that would be scheduled for the following week to aid in the discussion and decisions.

Mr. Smith continued with the Budget Message letter providing information on Council District Allocation Funds that were de-obligated, the Road System Maintenance Fee Fund, Solid Waste Fund, as well as clarification on the E911 Enterprise Fund.

Mr. Smith stated there were a couple of other items he desired Council's direction/input on. EMS experienced some problems recruiting crew chiefs for the 12-hour shifts. He sent an email to Council previously but wanted to ensure Council approved of the proposed path forward for the Administrator to work with the EMS Director to take the two (2) 12-hour shifts and move to 24-72. In doing that, you would alleviate the need for the 12 employees requested, operate the West Sumter Street facility and allow for additional time at the Lake City site.

Councilman Caudle stated that for clarity, he wanted to ensure that any or all changes for the 2015/16 budget were highlighted; mainly operational and functional items. Mr. Smith stated that one thing Council needed to review carefully was the list of reclassifications and positions.

Mr. Smith stated one additional item was that a pre-construction meeting was being held in the Administration Conference Room with C. R. Jackson Construction Company on the 92 roads to move forward with paving.

Mr. Smith advised that there was a request from Economic Development in the budget for a position; however that additional position was not funded. In talking with Darla Moore and others, the concern was that there was interest in establishing an advisory committee of individuals from the developing areas to further efforts to enhance business/industry in those underdeveloped areas. Councilman Caudle stated when he served on the Economic Development Partnership Board; they initiated an existing industry program to encourage growth/expansion of the existing industries. Mr. Smith stated he currently assisted with visiting existing business and industry to determine any needs or services the County could provide to enhance their efforts/success in Florence County. Mr. Smith stated they also wanted to focus on retail business to enhance and encourage growth in that area. Councilman Springs stated that one of the things he consistently heard from the Mayors in his area was that they needed help in recruiting business/industry in those areas.

Mr. Smith stated construction had begun on the Lake City Park initiated by Dr. Eddie Floyd. Information would be provided at second reading regarding the provision of funding to replace the funding taken from the State level. At the request of Councilman Springs, he provided a copy of the artist rendering of the lake project. Councilman Springs stated Dr. Floyd wanted to expand the aquatic feature so that it could be seen from Lions Park. There was also a push from Dr. Floyd, Darla Moore organization, and the Lake City Housing Authority to clear the swamp from the bridge all the way to the Housing Authority on Matthews Road, which would then allow canoe access to lower income individuals. Mr. Smith stated he believed it would attain statewide recognition once completed.

Mr. Smith stated another issue Council was working to address was the Johnsonville Industrial Park had not been adequately utilized. The Johnsonville Fire Department was building a station there. Prosser field would be re-located there.

Councilman Bradley stated he would like Council to consider establishing district funding within the accommodations tax fund for each Council member to access possibly \$10,000 each to fund festivals or other such activities at community parks in each district.

Mr. Smith stated one other item for Council to maybe discuss in moving forward with the courthouse was the construction manager at-risk, where you determine a pod of builders and qualify the builders to determine who could build within the budget. The architect would come in and explain the process. Councilman Schofield suggested that be included on the Agenda for the next meeting.

Councilman Kirby stated crushed asphalt was no longer available for the road projects. Mr. Smith stated the problem was that the State now allowed companies to put the crushed asphalt in what was referred to as their 'hot mix' which saved them 25 – 30% of the cost of asphalt by taking it. Mr. Smith suggested Council talk with the project manager and find out what it would cost to put asphalt. Mr. Smith reminded Council that the County had to keep in mind the three year arbitrage period of substantial completion on the projects.

### **EXECUTIVE SESSION:**

Councilman Schofield made a motion Council Enter Executive Session Pursuant To Section 30-4-70 Of The South Carolina Code Of Laws 1976, As Amended To Discuss An Economic Development Matter And A Personnel Matter. Councilman Kirby seconded the motion, which was approved unanimously.

Council entered Executive Session at 10:48 a.m. Council reconvened in the Council Chambers at 11:25 a.m.

(Councilman Kirby left the meeting during executive session and did not return.)

Councilman Caudle encouraged and invited participation in the National Day of Prayer taking place on the Complex steps at noon.

There being no further business to come before Council, Councilman Dorriety made a motion to adjourn. Councilman Schofield seconded the motion, which was approved unanimously.

### **COUNCIL MEETING ADJOURNED AT 11:26 A.M.**